

FISCAL NOTE

HB 2571 - SB 2978

March 12, 2004

SUMMARY OF BILL: Provides that funds for the Tennessee Job Skills Program shall be available only if the fund balance does not exceed \$500,000,000. The bill also stipulates that 50% of all funds allotted by the program shall be for new industry and 50% shall be allotted for existing industry. Currently, existing employers are allotted 70% of the funds and new employers receive 30%.

ESTIMATED FISCAL IMPACT:

MINIMAL

Estimate assumes that the limitations placed on fund expenditures will not affect distributions in FY04-05. According to the Department of Economic and Community Development, the fund balance on 3/12/04 was \$46,628,388.90. There is no evidence to support its growth to a level approaching \$500,000,000 in the next fiscal year. The estimate further assumes that the change in the allocation of expenditures between existing and new employers will not affect contractual obligations existing prior to the enactment of this legislation.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White".

James W. White, Executive Director